

**rohlik**  
group



# Annual Report and consolidated financial statements

for the year ended 30 April 2023 in accordance with the  
International Financial Reporting Standards as endorsed by the  
European Union

## About Rohlik Group

The Rohlik Group is a European technology leader in e-grocery, bringing about a digital revolution whilst accelerating and redefining the retail food industry. The Group's unique customer experience is a combination of fast and precise delivery, a large assortment, and great value for money. Orders are delivered within 60 minutes and within 15-minute same-day time windows, with over 20,000 items to choose from and prices in line with brick-and-mortar competition. Rohlik Group operates in the online retail market for the sale and delivery of food and other products, such as drugstores and household goods. Rohlik Group a.s. is a parent company of subsidiaries operating grocery e-shops in several European markets.

## History of Rohlik Group

The Group began operating in 2014, when the Czech entity VELKÁ PECKA s.r.o. was founded under the brand name Rohlik.cz by Group CEO Tomáš Čupr, and it has started to offer its services to customers in Prague. Some key milestones of the Group are opening its first own warehouse in May 2015, introducing a mobile app and commencing deliveries outside of Prague in March 2017, and achieving a positive EBITDA in January 2018.

The Group's expansion to foreign markets began at the end of 2019, with the launch of the website Kifli.hu for the Group's first international operation in Budapest, Hungary. Since then, customers in and around Budapest are able to buy and have delivered a wide variety of products from the website or through the mobile app.

The continuing growth of the Hungarian and Czech entities enabled the Group to launch the first of its many own private labels, open a third warehouse in the Czech Republic, launch the Rohlik pick-up points, and quickly gain new customers during the COVID-19 pandemic. The Group also adopted an agile management approach, which not only allowed faster systems development and customer propositions, but also enabled a setup of uniform systems and processes for all foreign subsidiaries.

At the end of 2020, Gurkerl.at was launched in Austria where customers would get groceries delivered in Vienna.

Ongoing expansion to foreign markets and continuing success of the Czech entity have attracted investors. In March 2021, the Group successfully went through a fundraising process and raised €121 million for greater expansion and faster development of services and technologies. Well-established investors such as Partech and Index Ventures have become our partners by investing in Rohlik Group. One of the Group's biggest milestones was reaching an investor valuation above 1 billion euros in July 2021.

The Group opened its first Germany location in Munich, in mid 2021, and started its first German operations under the brand name Knusper.de. European expansion continued with entering the Romanian market in Bucharest with the brand Sezamo.ro, while opening a second German location in Frankfurt.

In June 2022, Rohlik Group successfully raised €220 million in a Series D funding round led by new investor Sofina. Existing investors, including Index Ventures and the founder Tomáš Čupr, also participated. These proceeds were invested into automating warehouse operations with AutoStore technology as well as other internal technical developments and growing key markets.

The Group is passionate about taking care of the environment and is trying to lower its environmental impact by introducing reusable bags and investing in fully electric cars, bikes, and charging stations.

## Executive Summary

In a challenging post-COVID period, Rohlik Group demonstrated resilience and a commitment to growth, achieving significant milestones across key financial and non-financial performance indicators. The Group navigated this period by pursuing strategies to enhance both top and bottom-line performance.

Focusing on robust market presence, the Group focused on growing its topline across all operational markets, while ramping up automation in key warehouses to achieve strong operational productivity improvements and ultimately reduced cost.

At the core of Rohlik Group strategy lies a singular purpose: to empower our customers to eat well and live well. This commitment is embodied in our relentless dedication to obsessing about our customers in every facet of our operations. Guided by strategic pillars—Great Experience, Differentiated Assortment, Great Value, and Sustainability—we strive to deliver excellence in every interaction.

In FY22, the successful completion of a €220 million Series D funding round was key in facilitating growth in all markets. Furthermore, in December 2022, the Group additionally secured a €45 million loan from a consortium of three banks to strengthen its leading market position.

This funding enabled the Group to execute strategic initiatives that align with its growth trajectory. The key areas of focus included significant investments in the German market, by introducing Automation in the Munich facility and investment into further growth of the newly launched Frankfurt Fulfillment Center in February 2022. Additionally, the Group invested in another fully automated site in Prague (Chrástany). The commitment to innovation extended beyond operations to environmental sustainability, with plans to increase electrification of the fleet across all countries, including achieving 15% electric fleet in the Czech Republic.

Rohlik Group achieved profitability in the online grocery sector in Eastern Europe, notably in our first market, the Czech Republic, several years ago. As well as our ongoing commitment to investment in growth initiatives, the Group is leading the way in addressing the challenge of improving unit economics and ensuring the profitability of same-day grocery delivery in Western Europe. This strategic focus on financial sustainability and operational efficiency positions the Group as a pioneering force in the online grocery industry.

## **Business Performance**

During fiscal year 2022, Rohlik Group continued to significantly improve key financial and non-financial metrics in a highly challenging post-COVID period, facing double-digit inflation rate across its markets.

The Group achieved key milestones and strong growth in the past fiscal year, including a notable increase of 13% of orders and 24% revenue growth versus previous year, which was impacted by COVID headwinds. Rohlik Group successfully delivered 10.5 million orders, an increase of 1.2 million orders compared to the previous year.

Primary focus remained on providing great customer experience and enhancing the customer proposition. Despite the inflationary pressures and stronger basis from the previous year that had been impacted by COVID, Rohlik Group not only grew in revenue and orders, but also achieved similar commercial margin as the year before. Another addition to bottom line growth was advertising revenue growth of 46% year-over-year.

In November 2022, the Group opened a new automated warehouse in Prague – Chrástany. The launch of the new automated warehouse brought the Group significant improvements in efficiency and storage capacity. Operational productivity in this warehouse reached nearly 20% better results than a similar Prague non-automated facility (in April 2023).

## **Operational Highlights**

Rohlik Group further invested in automation and operational improvements across its facilities. Notably, we have launched AutoStore dry and chilled in Munich, AutoStore dry and chilled in Prague - Chrástany, successfully concluded a pilot of automated expedition and kicked-off its construction in Munich. In Romania we have started delivering with a fully electrified fleet. Other improvements included shortening of express delivery time from 90 to 60 minutes, further extension of private label range delivering high-quality products at affordable price providing exceptional value.

Rohlik Group's commitment to providing great customer experience and operational efficiency through in-house built technology extends to the introduction of Rohlik Ads, an in-house developed self serve platform for advertisers at our customer platforms, contributing to diversification and growth of new revenue streams.

## **Financial Highlights**

Strong growth of the company was also reflected in the financial results. The total net turnover of the Group for the fiscal year 2022 reached €633 million, representing an increase of 27.1% compared to the previous year. The consumption cost of sales similarly increased at a rate of 24.4% year-on-year, reaching a total of €424 million.

The Group's total assets increased by 50% year-on-year to a value of €366 million as of April 30, 2023. This increase was primarily associated with investments in non-current assets of € 87 million.

In the fiscal year 2022, the Group recorded a loss of € 157 million, which is 41% higher than the previous period. The primary reason for the loss was the continuous investments in new assets and supporting market expansion and efficiency improvements. Benefits from similar investments done during previous periods have already begun to significantly pay back and are visible in both Group turnover growth and productivity improvements across all warehouses across the Group.

## **Corporate Social Responsibility and Sustainability**

Rohlik Group strongly focuses on Corporate Social Responsibility (CSR) and sustainability, ensuring adherence to the highest standards. Our stringent supplier policy guarantees ESG compliance, emphasizing ethical business practices. In our commitment to eco-conscious practices, our delivery paper bags are crafted from recycled materials, complemented by the availability of reusable bags that are also made from recycled materials. Group's transportation aligns with green initiatives, favoring Compressed Natural Gas (CNG) and electric vehicles within its fleet. Nurturing a positive work environment, Love-Hate employee engagement surveys are conducted across the group and operations. Going forward, we plan to initiate CO2 baselining throughout FY23 and FY24, underscoring our dedication to measuring and mitigating our carbon footprint for more sustainable business operations.

## **Future Outlook**

In the fiscal year ahead, Rohlik Group strategically positions itself to drive top-line growth while concurrently enhancing bottom-line performance. The Group plans to continue its objective of expanding its customer base and delivery areas, automating operational processes and improving efficiency, diversifying assortment with new product categories and bringing the best customer proposition.

Our primary objective is growing business in Munich, with a targeted achievement of contribution margin profitability by the fall of FY23. This trajectory is supported by a commitment to automation investments. The launch of L3 automation (automation of expedition process in ambient) in Munich is scheduled for August and is complemented by planned go-live of additional L4 (automation of expedition in chilled) during winter, driving operational productivity and improving Munich unit economics.

The focus on automation extends to pivotal locations, notably Frankfurt and Prague (Horní Počernice), where Level 2 automation will be implemented in the second half of FY2023.

Profitability stands as a central tenet of our strategy. Key initiatives include ensuring the profitable growth in Hungary throughout FY23, with Romania diligently closing the gap towards profitability. In Germany, our efforts are focused on achieving profitability through orders growth and operational efficiency improvement via automation. This profit-oriented approach extends across all markets, emphasizing sustainable growth while systematically advancing towards Group profitability.

A cornerstone of our financial plan is to improve free cash-flow across the group with the objective of concluding FY23 with a robust cash reserve, while conducting strategic investments into growth and automation.

## **Leadership and Culture**

Leadership and Culture at Rohlik are the cornerstones of its success and dynamism. Rohlik carefully crafts its leadership philosophy, which revolves around delighting our customers. Every member of our team is driven by this simple yet powerful principle. We aim for every interaction with us to be an experience our customers will remember. This customer-centric enthusiasm is the driving force that unites all employees and provides direction.

In Rohlik Group, the culture is meticulously cultivated through a set of core ingredients that influence every facet of the Group's life. These integral elements serve as prerequisites guiding decisions, from the introduction of customer-centric features to hiring and performance assessments. Embodying values such as "Amaze the Customer," a commitment to challenging the status quo, and an ethos of thinking big with an owner's mindset, our cultural foundation remains a driving force shaping the Group's actions and decisions.

In a strategic leadership move, Rohlik Group announced the promotion of Olin Novák to International CEO for the Group, overseeing day-to-day operations across all countries. Founder and CEO, Tomáš Čupr, focuses on holistic and future group development. Additionally, the Group welcomes Vineta Bajaj as its new Chief Financial Officer, bringing extensive experience from Ocado Group. With this enhanced executive team, including leaders such as Ondřej Klamt, and Mark Hübner, Rohlik Group is well-positioned for the next phase of growth and success.

After the period, the Group announced Erwin Brunner as the new Group COO, bringing a wealth of experience from Amazon and recently, GoPuff. This further senior hire demonstrates the Group's commitment to bringing in the best talent.

### **Other information for disclosure**

The Group discloses no information under special legislation.

### **Subsequent events**

Apart from the events described in the Notes to the Consolidated financial statements, no other significant events occurred after the balance sheet date.

### **Acknowledgments and Appreciation**

Our customers trust us to provide shopping for the whole family and this means a great deal to us. We would like to thank each of our employees and suppliers for their support in helping us make that happen. Whether it's hot or cold, weekend or holiday, they are always there for our customers and deliver a service that is unprecedented in the context of the Czech Republic or elsewhere in Europe.

We would like to thank our customers for their trust and loyalty. Most of them have been with us for a long time, many shop only at us, and their open and honest feedback drives us forward, in innovation, service, and product mix. We continue to grow together. Being part of our customers' lives is a big deal for us.

Doing everything possible and impossible for the customer is our essential ingredient, and we couldn't do it without our suppliers, our farmers and our artisan workshops. We connect them to our customers, believing that they too are entitled to a fair return and margin, which is not always the case in retail. Many of them have been with us since the beginning, when Rohlik was still a small company with an uncertain future. Even so, they have trusted and supported us, and we owe them a huge thank you.

In Prague 12 January 2024

Tomáš Čupr  
Statutory Director of the Company



**rohlik**  
group



## Consolidated Financial Statements

in accordance with the International Financial Reporting  
Standards as endorsed by the European Union

30 April 2023

# Content

Consolidated statement of profit or loss and other comprehensive income .....	3
Consolidated statement of financial position .....	4
Consolidated statement of changes in equity .....	5
Consolidated statement of cash flow .....	6
1 Corporate information .....	7
2 Significant accounting policies .....	7
2.1 Basis of preparation .....	7
2.2 Basis of consolidation .....	7
2.3 Summary of significant accounting policies .....	8
2.4 Correction of error .....	19
3 Significant accounting judgements, estimates, and assumptions .....	20
4 Revenue from contracts with customers .....	22
4.1 Disaggregated revenue information .....	22
4.2 Contract balances .....	22
4.3 Refund liabilities .....	23
5 Capital management .....	24
6 Group information .....	24
7 Business combinations .....	25
8 Investment in an associate .....	26
9 Other income/expenses .....	27
9.1 Other operating income .....	27
9.2 Other operating expenses .....	27
9.3 Finance income .....	27
9.4 Finance costs .....	27
9.5 Employee benefits expense .....	27
9.6 Selling and distribution expenses .....	28
9.7 Administrative expenses .....	28
10 Income tax .....	29
11 Deferred tax .....	30
12 Earnings per share .....	30
13 Property, plant, and equipment .....	31
14 Intangible assets and goodwill .....	32
15 Financial assets and financial liabilities .....	34
15.1 Financial assets .....	34
15.2 Financial liabilities .....	34
15.3 Fair values .....	36
15.4 Financial instruments risk management objectives and policies .....	36
16 Inventories .....	39
17 Trade and other receivables .....	39
18 Cash and short-term deposits .....	39
19 Issued capital and reserves .....	40
20 Provisions .....	41
21 Contract liabilities and refund liabilities .....	41
22 Trade and other payables .....	41
23 Leases .....	42
24 Share-based payments .....	44
25 Commitments and contingencies .....	45
26 Related party disclosures .....	47
27 Standards issued but not yet effective .....	48
28 Events after the reporting period .....	50

# Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 April 2023

		1 May 2022 - 30 April 2023 €000	1 May 2021 – 30 April 2022 €000 (Adjusted)
	<b>Notes</b>		
Revenue	4	633,312	498,263
Cost of sales		(423,818)	(344,666)
<b>Gross profit</b>		<b>209,494</b>	<b>153,597</b>
Other operating income	9.1	11,226	7,408
Selling and distribution expenses	9.6	(232,921)	(173,718)
Administrative expenses	9.7	(126,915)	(84,672)
Other operating expenses	9.2	(11,510)	(15,615)
<b>Operating loss</b>		<b>(150,626)</b>	<b>(112,999)</b>
Finance income	9.3	54	7
Finance costs	9.4	(5,837)	(2,125)
Share of loss of an associate and a joint venture		(75)	(90)
<b>Loss before tax</b>		<b>(156,484)</b>	<b>(115,207)</b>
Income tax expense	10	(1,222)	(1,411)
Loss for the year		<b>(157,706)</b>	<b>(116,618)</b>
Attributable to:			
Equity holders of Rohlik Group a.s.		(157,706)	(116,618)
Non-controlling interests		-	-
		<b>(157,706)</b>	<b>(116,618)</b>
Earnings per share	12		
Basic earnings per share		(0.29)	(0.25)
Diluted earnings per share		(0.27)	(0.24)
<b>Profit for the year</b>		<b>(157,706)</b>	<b>(108,648)</b>
<b>Other comprehensive income</b>			
Exchange differences on translation of foreign operations		16,660	7,970
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>16,660</b>	<b>7,970</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>(141,046)</b>	<b>(108,648)</b>
Attributable to:			
Equity holders of the parent		(141,046)	(98,662)
Non-controlling interests		-	-

# Consolidated statement of financial position

as at 30 April 2023

	Notes	30 April 2023 €000	30 April 2022 €000 (Adjusted)	30 April 2021 €000
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets and goodwill	14	14,430	11,681	6,083
Property, plant, and equipment	13	123,246	67,449	29,057
Right-of-use assets	23	75,302	45,700	18,379
Investment in an associate and a joint venture	8	603	651	639
Non-current financial assets	15	6,646	6,384	3,430
Deferred tax assets	11	-	-	-
		<b>220,227</b>	<b>131,865</b>	<b>57,588</b>
<b>Current assets</b>				
Inventories	16	24,205	17,621	10,776
Trade and other receivables	17	33,520	30,151	10,474
Other current financial assets	15	12,772	7,686	350
Cash and short-term deposits	18	75,192	53,711	93,175
		<b>145,689</b>	<b>109,168</b>	<b>114,775</b>
<b>Total assets</b>		<b>365,916</b>	<b>241,034</b>	<b>172,363</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Issued capital	19	215	182	163
Share premium	19	313,518	99,982	-
Other reserves	19	146,559	146,129	142,261
Retained earnings		(313,879)	(146,187)	(39,555)
Foreign currency translation reserve		25,334	8,674	704
<b>Equity attributable to equity holders of the parent</b>		<b>171,748</b>	<b>98,794</b>	<b>103,573</b>
Non-controlling interests		-	-	-
<b>Total equity</b>		<b>171,748</b>	<b>98,794</b>	<b>103,573</b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	15	33,356	11,431	6,046
Lease liabilities	23	63,713	40,654	14,766
Provisions	20	1,627	769	-
		<b>98,696</b>	<b>52,854</b>	<b>20,812</b>
<b>Current liabilities</b>				
Trade and other payables	22	76,482	77,184	41,221
Contract liabilities	21	1,772	1,402	533
Interest-bearing loans and borrowings	15	4,700	3,981	1,987
Lease liabilities	23	11,359	6,341	3,995
Provisions	20	1,159	-	-
Income tax payable		-	478	242
		<b>95,472</b>	<b>89,386</b>	<b>47,978</b>
<b>Total liabilities</b>		<b>194,168</b>	<b>142,240</b>	<b>68,790</b>
<b>Total equity and liabilities</b>		<b>365,916</b>	<b>241,034</b>	<b>172,363</b>

# Consolidated statement of changes in equity

for the year ended 30 April 2023

	Attributable to the equity holders of the parent							Total equity
	Issued capital	Share premium	Other reserves	Retained earnings	Foreign currency translation reserve	Total	Non-controlling interests	
	€000	€000	€000	€000	€000	€000	€000	€000
<b>Balance as at 30 April 2021</b>	163	-	142,261	(39,555)	704	103,573	-	103,573
Profit for the period	-	-	-	(111,625)	-	(111,625)	-	(111,625)
Other comprehensive income	-	-	-	0	7,970	7,970	-	7,970
<b>Total comprehensive income</b>	-	-	-	(111,625)	7,970	(103,655)	-	(103,655)
Issue of share capital & other capital funds contribution	18	99,982	425	-	-	100,425	-	100,425
Share-based payments	-	-	3,444	-	-	3,444	-	3,444
<b>Balance as at 30 April 2022</b>	182	99,982	146,129	(151,180)	8,674	103,787	-	103,787
<b>Adjustment on correction of error (net of tax)</b>	-	-	-	(4,993)	-	(4,993)	-	(4,993)
<b>Balance as at 30 April 2022</b>	182	99,982	146,129	(156,173)	8,674	98,794	-	98,794
Profit for the period	-	-	-	(157,707)	-	(157,707)	-	(157,706)
Other comprehensive income	-	-	-	-	16,660	16,660	-	16,660
<b>Total comprehensive income</b>	-	-	-	(157,707)	16,660	(141,046)	-	(141,046)
Issue of share capital & other capital funds contribution	34	213,536	-	-	-	213,570	-	213,570
Share-based payments	-	-	430	-	-	430	-	430
<b>Balance as at 30 April 2023</b>	215	313,518	146,559	(313,879)	25,334	171,748	-	171,748

# Consolidated statement of cash flow

## for the year ended 30 April 2023

	1 May 2022 – 30 April 2023	1 May 2021 - 30 April 2022
	€000	€000
<b>Operating activities</b>		
Profit/(loss) before tax	(157,707)	(111,625)
Adjustments to reconcile profit before tax to net cash flows:		
• Depreciation and impairment of property, plant, and equipment, and right-of-use assets	13,496	14,199
• Amortization and impairment of intangible assets	5,299	2,696
• Share-based payment expense	708	3,365
• Net foreign exchange differences	8,797	8,064
• Gain on disposal of property, plant, and equipment	(987)	(121)
• Finance income	(54)	(7)
• Finance costs	5,837	2,125
• Movements in provisions, pensions, and government grants	1,917	31
Working capital changes:		
• Decrease/(increase) in trade receivables deposits, and prepayments	(5,627)	(17,419)
• Decrease/(increase) in restricted cash on bank account classified within Other financial assets	(5,086)	(7,336)
• Decrease/(increase) in inventories and right of return assets	(217)	(13,212)
• Increase (decrease) in trade and other payables, contract liabilities, and refund liabilities	(331)	36,832
	<b>(141,155)</b>	<b>(82,409)</b>
Interest paid	(5,930)	(2,321)
Income tax paid	(1,271)	(1,192)
Net cash flows from operating activities	<b>(142,990)</b>	<b>(85,922)</b>
<b>Investing activities</b>		
Proceeds from sale of property, plant, and equipment	3,011	1,517
Purchase of property, plant, and equipment	(63,425)	(44,988)
Purchase of intangible assets	(9,919)	(7,862)
Purchase of investments in joint ventures and associates	-	21
Proceeds from sale of financial instruments	-	-
Acquisition of a subsidiary, net of cash acquired	-	-
Receipt of government grants	-	-
Interest received	54	6
Net cash flows used in investing activities	<b>(70,333)</b>	<b>(51,311)</b>
<b>Financing activities</b>		
Proceeds from issue of ordinary share capital, net of transaction costs	213,570	100,000
Contributions outside of the share capital	-	425
Payment of principal portion of lease liabilities	(15,538)	(4,252)
Proceeds from borrowings	25,953	7,026
Repayment of borrowings	(5,141)	(222)
Net cash flows from/(used in) financing activities	<b>218,844</b>	<b>102,977</b>
Net increase in cash and cash equivalents	<b>7,356</b>	<b>(34,257)</b>
Net foreign exchange difference	14,125	(5,207)
Cash and cash equivalents at the beginning of the period	53,711	93,175
Cash and cash equivalents at the end of the period	<b>75,192</b>	<b>53,711</b>

# Notes to the consolidated financial statements

## 1 Corporate information

Rohlik Group a.s. (hereafter "the Company") is a joint-stock company incorporated and domiciled in the Czech Republic (identification number: 09960678). The Company is the parent of the Rohlik Group. The address of its registered office is Karolinská 654/2, Karlín, 186 00 Praha 8, Czech Republic. The financial statements comprise the results of the Company and its subsidiaries (hereafter "the Group" or "the Rohlik Group". Information on the Group's structure is provided in Note 6. Information on other related party relationships of the Group is provided in Note 26.

The financial period represents the fiscal year ended 30 April 2023 (hereafter "FY22" or "FY 2022"). The prior financial period represents the fiscal year ended 30 April 2022 (hereafter "FY21" or "FY 2021").

The principal activity of the Rohlik Group is the online grocery shop, providing customers with full service starting with online selection from a wide range of quality products, including fast and comfortable delivery and easygoing customer support. Rohlik Group is focused on constant innovation, with opportunities to use our know-how to drive better efficiencies and growth.

In order to develop the Group on a global scale and support international expansion, the Group has made a group legal restructuring on 1 May 2021. Until the restructuring took place, the parent company of the Group was company VELKÁ PECKA s.r.o., which at the same time was the holding company, as well as the operating entity of the grocery shop in the Czech Republic. Rohlik Group a.s. was established on 26 February 2021 with the same shareholding structure as VELKÁ PECKA s.r.o., with the purpose of becoming the new holding company of the Group. On 1 May 2021, the investments in the foreign subsidiaries were spinned-off and merged into Rohlik Group a.s. Afterward, on 10 June 2021, the project of group legal restructuring was finalized when the shareholders contributed their shares in VELKÁ PECKA s.r.o. into Rohlik Group as a contribution outside of the share capital. The structure of the Group before and after the restructuring is presented in Note 6.

## 2 Significant accounting policies

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in euros, and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements provide comparative information in respect of the previous period.

### 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 April 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with

## Notes to the consolidated financial statements

the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognized in profit or loss.

### 2.3 Summary of significant accounting policies

#### a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured, and its subsequent settlement is accounted for within equity. Contingent consideration, classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date, with changes in fair value recognized in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed under these circumstances is measured based on the relative values of the disposed operation, and the portion of the cash-generating unit retained.

#### b) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of the operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of the profit or loss of an associate is shown on the face of the statement of profit or loss

## Notes to the consolidated financial statements

outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the calendar year.

After the application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and then recognizes the loss within 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

### c) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, if recognized.

### d) Revenue from contracts with customers

Revenue represents the transaction prices to which the Group expects to be entitled in return for delivering goods or services to its customers. The amount recognized in any period is based on a judgement of when the customer is able to benefit from the goods or services provided and an assessment of the progress made towards completely satisfying each performance obligation according to the contract with the customer. The revenue is recognized for the particular performance obligation in the appropriate amount either at a certain point in time, or the revenue is deferred as a contract liability and afterward allocated over a certain time. The following provides information about the nature and timing of the satisfaction of performance obligations in contracts and the related revenue recognition policies:

#### i. Sale of grocery and delivery fee

The principal revenue stream is represented by the sale and delivery of grocery goods, which are picked in the Group's fulfillment centers and delivered to the customer by the Group's couriers. A delivery fee is charged for deliveries below the minimum amount set for free delivery.

Customers pay in full at the point of sale, and the transaction price consists of all order values, shown net of any material adjustment in accordance with guidance on variable consideration in IFRS 15. Standard delivery charges are included in transaction prices. Each contract has a single performance obligation, and so the whole transaction price is assigned to that single obligation, except for the case of payment for a premium account fee, which is recognized as a separate obligation and recognized in line with the policy described in the following point. The revenue is recognized on the delivery of the products to the customer.

#### ii. Premium account fee

Revenue arising from the premium fee is a performance obligation recognized over the duration period. Initially, Group recognizes a contract liability arising from the consideration received from a customer. The respective revenue is recognized over the duration of the premium fee subscription.

## Notes to the consolidated financial statements

### iii. Commissions from pharmacy sales

The Group acts as an agent in the mediation of sales of pharmacy products. The revenue is recorded in the amount of commission from the pharmacy and is recognized at the time of delivery of the products to the customer, which is the point when the performance obligation is recorded.

### iv. Data and marketing revenues and other service revenues

Revenue from data and marketing sales and other service revenue is recognized when the control is transferred to the customer, depending on the particular contractual terms where the amount of the revenue is agreed upon or can be reliably determined, and the collection of the consideration is probable. This generally corresponds to the point when products are transferred to the customers.

#### *Financing components*

The vast majority of sales transactions are made by customers' debit or credit cards either online or at the payment terminal during delivery. As the payment of the consideration from the customer by a card is authorized at the time the revenue is recognized, the group concluded there is no significant financing component related to revenue.

#### *Cost to obtain a contract*

The Group provides the customers with marketing credits that can be applied by customers in the next purchase. The credits have a limited expiration date and the cost only occurs once the customer makes the purchase.

#### *Trade receivables*

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

#### *Contract liabilities*

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer). Group recognizes two types of contract liabilities i) prepaid premium fee and ii) customer credits that are used to settle future purchases.

#### *Refund liabilities*

The Group recognizes refund liabilities arising from the payments from customers for the use of reusable bags. The customer selects whether the delivery should be packed into paper bags or reusable bags. If the option of reusable bags is selected, the customer pays a security deposit during the first purchase. Group is obliged to return the security to customers when the customer opts out of the use of reusable packaging. Due to the fact that it is not possible to determine the maturity of the refund liabilities, the refund liabilities are not discounted.

### e) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset.

# Notes to the consolidated financial statements

## f) Taxes

### i. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

### ii. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all temporary taxable differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of temporary taxable differences associated with investments in subsidiaries, associates, and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all temporary deductible differences, the carry forward of unused tax credits, and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the temporary deductible differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the temporary deductible difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of temporary deductible differences associated with investments in subsidiaries, associates, and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances changes. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, which intend either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### iii. Value added tax

Expenses and assets are recognized net of the amount of value added tax, except when the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

# Notes to the consolidated financial statements

## g) Foreign currencies

The Group's consolidated financial statements are presented in Euros. The functional currency of the parent company is the Czech crown. For each entity, the Group determines the functional currency, and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation, and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

The table below presents the overview of currencies used by individual entities within the Group and currencies used for purposes of preparation of the consolidated financial statements of the Group:

Entity name	Country of incorporation	Local company functional currency	Group's functional currency	Presentation currency
Rohlik Group a.s.	Czech Republic	CZK	CZK	EUR
Rohlik skillz s.r.o.	Czech Republic	CZK	CZK	EUR
VELKÁ PECKA s.r.o.	Czech Republic	CZK	CZK	EUR
Kifli.hu Shop Kft.	Hungary	HUF	CZK	EUR
MY FOOD WHOLESALLES s.r.o.	Czech Republic	CZK	CZK	EUR
Gurkerl.at GmbH	Austria	EUR	CZK	EUR
Grosser Kern GmbH	Germany	EUR	CZK	EUR
Autoexpert spol. s.r.o.	Czech Republic	CZK	CZK	EUR
bitte-holen.de GmbH	Germany	EUR	CZK	EUR
Covrig Crocant SRL	Romania	RON	CZK	EUR
Sezamo Iberia, S.L.U.	Spain	EUR	CZK	EUR
sezamo.it S.R.L. in liquidazione	Italy	EUR	CZK	EUR
Kleiner Kern GmbH	Germany	EUR	CZK	EUR

### i. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense, or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration. The Group presents the foreign exchange gains and losses separately.

### ii. Consolidation

On consolidation, the assets and liabilities of foreign operations are translated into Czech crowns at the rate of exchange prevailing at the reporting date, and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. Group uses European central bank foreign exchange rates for purposes of the consolidation. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

For presentation purposes, consolidated balances in Czech crowns are translated into Euros at the rate of exchange prevailing at the reporting date for the assets and liabilities and translated at average exchange rates of the fiscal year for transactions for profit or loss transactions. Group is using the exchange rates published by the European Central Bank for consolidation purposes.

## h) Property, plant, and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment are stated at cost, net of accumulated depreciation, and accumulated impairment losses, if any. Repair and maintenance costs are recognized in profit or loss as incurred.

## Notes to the consolidated financial statements

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Buildings 5 to 12 years
- Plant and machinery 3 to 10 years
- Motor vehicles and other equipment 3 to 5 years

The Group reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Group considers the impact of health, safety, and environmental legislation in its assessment of expected useful lives and estimated residual values.

An item of property, plant, and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives, and methods of depreciation of property, plant, and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **i) Leases**

The Group assesses at contract inception whether a contract is or contains a lease. That is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **The group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **i. Right-of-use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. The present value of the expected cost for the restoration of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates, and assumptions (Note 3) and provisions (Note 20) for further information about the recognized restoration provision. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 5 to 12 year
- Plant and machinery 3 to 5 years
- Motor vehicles and other equipment 3 to 5 years

If the ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (n) Impairment of non-financial assets.

#### **ii. Lease liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease if the lease term reflects the Group exercise the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, or a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are reported separately from Interest-bearing loans and borrowings.

# Notes to the consolidated financial statements

## iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

## The group as a lessor

Leases in which the Group does not substantially transfer all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

## j) Borrowing costs

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are generally not capitalized, and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The such policy excludes capitalized development costs and the appreciation of the software.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The Group did not report any intangible assets with indefinite useful life as at 30 April 2023 and 30 April 2022.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

## Research and development costs

Research costs are expensed as incurred. Relevant development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate the following:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure the expenditure reliably during the development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

## Software

The software acquired separately is measured on initial recognition at cost. The cost of the internally developed software is capitalized if the recognition conditions are met. The Group develops new features of used software, resulting in a technical appreciation of the software. The expected useful life of software is reassessed on a regular basis.

## Trademarks and domains

The Group made upfront payments to acquire trademarks and domains. The trademarks have been granted for a period of 10

## Notes to the consolidated financial statements

years by the relevant government agency, with the option of renewal at the end of this period. Domains have been granted for a period of time, depending on the provider.

A summary of the policies applied to the Group's intangible assets is as follows:

	<b>Software</b>	<b>Trademarks</b>	<b>Domains</b>
Useful lives	Finite (3 years)	Finite (10 years)	Finite (3-10 years)
Amortization method used	Amortized on a straight-line basis over the period of the software	Amortized on a straight-line basis over the period of the trademark	Amortized on a straight-line basis over the period of the domain
Internally generated or acquired	Acquired & Internally generated	Acquired	Acquired

\* The Group regularly recognizes the development and improvements of software. At the moment of the recognition, the Group performs re-assessment of the useful life.

### l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### i. Financial assets

##### Initial recognition and measurement

For purposes of subsequent measurement, financial assets are classified at initial recognition in the following categories:

- Financial assets at amortized cost,
- Financial assets at fair value through other comprehensive income (OCI), or
- Financial assets at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Except for trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified by the Group in the following categories:

##### **Financial assets at amortized cost**

The Group's financial assets at amortized cost include trade receivables and loans to external counterparties under other financial assets. The Group measures financial assets at amortized cost if the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired.

##### **Debt instruments designated at fair value through OCI**

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation, and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group classified financial assets at fair value through OCI provided that the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and to sell, and the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding ("SPPI criterion")

The Group did not report any financial assets at fair value through OCI as at 30 April 2023 and 2022.

##### **Equity instruments designated at fair value through OCI**

Upon initial recognition, the Group can elect to classify its equity investments irrevocably as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

This category includes a non-listed equity investment in Convenience AD.

# Notes to the consolidated financial statements

## **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value, with net changes in fair value recognized in the statement of profit or loss.

The Group did not report any financial assets designated at fair value through OCI as at 30 April 2023 and 2022.

## **Derecognition**

A financial asset is derecognized (i.e., removed from the Group's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred all the risks and rewards of the asset substantially, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

## **Impairment**

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract, and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The Group records a provision for estimated unrecoverable trade receivables. For trade receivables, the Group applies a simplified approach to calculating ECLs. The Group recognizes a charge for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss). The Group reviews the aging of outstanding trade receivables and a provision matrix by type of customer that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In certain cases, the Group may consider a financial asset to be impaired when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **ii. Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or loans and borrowings, including lease liabilities, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, lease liabilities, and loans and borrowings, including bank overdrafts.

### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified into two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

The Group has not designated any financial liabilities as at fair value through profit or loss.

### **Financial liabilities at amortized cost (loans and borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

## **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or canceled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

## **m) Inventories**

Inventories are valued at the lower of the cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

## Notes to the consolidated financial statements

- Materials: purchase cost on a first-in/first-out basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs
- Goods: purchase cost on a first-in/first-out basis

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The materials include the reusable bags used for the delivery of the products to the customers. The cost of reusable bags is amortized into expenses over the estimated useful life of 12 months. Costs related to washing the bags are recorded directly in expenses as they occur.

### n) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on the most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For the purpose of the analysis, a long-term growth rate is not applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only in case there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

### o) Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

### p) Provisions

#### General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

# Notes to the consolidated financial statements

## Restoration liability

The Group records a provision for restoration costs of warehouses used as fulfillment centers. Restoration costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the relevant asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the restoration liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit or loss as a finance cost. The estimated future costs of restoration are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

## Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognizes any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of cost of fulfilling it and any compensation or penalties arising from failure to fulfill it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

The Group did not report any onerous contract as at 30 April 2023 and 30 April 2022.

### q) Share-based payments

Selected employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for share options. Depending on the conditions, the share options can be considered either as equity instruments (equity-settled transactions) or as instruments settled in cash (cash-settled transactions).

#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 24.

That cost is recognized in employee benefits expense (Note 9.5), together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee. Where an award is canceled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### Cash-settled transactions

A liability is recognized for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognized in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

#### Consideration at the reporting date

As at the reporting date, the Group considered the conditions and assessed the share-based payments are classified as equity-settled transactions.

# Notes to the consolidated financial statements

## 2.4 Correction of error

The Group has identified an error relating to the incorrect valuation process applied to inventories. The misapplication of the valuation method resulted in the inventories being overstated.

The error has been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

### Impact on equity (increase/(decrease) in equity)

	30.4.2022 Original €000	30.4.2022 Adjustment €000	30.4.2022 Adjusted €000
Intangible assets	11,685	(4)	11,681
Property, plant, and equipment	68,329	(880)	67,449
Inventories	23,988	(6,367)	17,621
Trade and other receivables	27,893	2,258	30,151
<b>Total assets</b>	<b>246,027</b>	<b>(4,993)</b>	<b>241,034</b>
<b>Total equity</b>	<b>103,787</b>	<b>(4,993)</b>	<b>98,794</b>

### Impact on statement of profit or loss (increase/(decrease) in profit)

	30.4.2022 Original €000	30.4.2022 Adjustment €000	30.4.2022 Adjusted €000
Cost of sales	(340,556)	(4,110)	(344,666)
Selling and distribution expenses	(172,834)	(884)	(173,718)
<b>Net impact on profit for the year</b>	<b>(111,625)</b>	<b>(4,993)</b>	<b>(116,618)</b>
Equity holders of the parent	(111,625)	(4,993)	(111,625)
Non-controlling interest	-	-	-

### Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)

	30.4.2022 Original €000	30.4.2022 Adjustment €000	30.4.2022 Adjusted €000
<b>Earnings per share</b>			
Basic, profit for the year attributable to ordinary equity holders of the parent	(0,24)	(0,01)	(0,25)
Diluted, profit for the year attributable to ordinary equity holders of the parent	(0,23)	(0,01)	(0,24)

The change did not have an impact on OCI for the period or the Group's operating, investing and financing cash flows.

# Notes to the consolidated financial statements

## 3 Significant accounting judgements, estimates, and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

#### **Determining the lease term of contracts with renewal and termination options – Group as lessee**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that are within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Group did not include the renewal period as part of the lease term for leases of plant and machinery, where the Group is not reasonably certain that the option to renew these leases will be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal, and its value in use. The fair value less costs of disposal calculation are based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value-in-use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognized by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 14.

#### **Provision for expected credit losses of trade receivables and contract assets**

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type, and rating, and coverage by letters of credit and other forms of credit insurance).

#### **Share-based payments**

Estimating fair value for share-based payment transactions requires the determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model, including the expected life of the share option or appreciation right and volatility and making assumptions about them. The Group applies the probability approach, where the cost of equity-settled transactions is measured at a fair value of the share options determined at the grant date. The Group recognizes an expense and corresponding increase in equity at the amount of the fair value of share options granted gradually over the vesting period of 5 years. The fair value of the options is not re-measured after the grant date.

### Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred

## Notes to the consolidated financial statements

tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

There are subsidiaries that have a history of losses, which expire after a period of time, and may not be used to offset taxable income elsewhere in the Group. For reasons of prudence and uncertainty involved, the Group decided not to account for the deferred tax asset.

### ***Provision for restoration***

As part of the identification and measurement of assets and liabilities arising from the leases, the Group has recognized a provision for restoration obligations associated with rented warehouses. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site, and the expected timing of those costs. The carrying amount of the provision as at 30 April 2023 was € 1,627 thousand (30 April 2022: € 769 thousand). The Group estimates that the costs would be realized at the end of the lease period and calculates the provision using the DCF method.

### ***Leases - Estimating the incremental borrowing rate***

The Group cannot readily determine the interest rate implicit in the lease. Therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

# Notes to the consolidated financial statements

## 4 Revenue from contracts with customers

### 4.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

For the year ended 30 April 2023

Segments	Austria	Czech Republic	Germany	Hungary	Other	Total
	€000	€000	€000	€000	€000	€000
Type of goods or service						
Sale of grocery (incl. delivery fee and pharmacy)	57,899	480,086	63,784	79,846	9,226	618,812
Premium fee	-	2,853	-	515	-	3,368
Other service revenues	1,022	4,458	2,979	2,291	380	11,131
<b>Total revenue from contracts with customers</b>	<b>58,921</b>	<b>415,398</b>	<b>66,764</b>	<b>82,623</b>	<b>9,606</b>	<b>633,312</b>
Timing of revenue recognition						
Goods and services transferred at a point in time	58,921	412,544	66,764	82,108	9,606	629,943
Goods and services transferred over time	-	2,853	-	515	-	3,368
<b>Total revenue from contracts with customers</b>	<b>58,921</b>	<b>415,398</b>	<b>66,764</b>	<b>82,623</b>	<b>9,606</b>	<b>633,312</b>

For the year ended 30 April 2022

Segments	Austria	Czech Republic	Germany	Hungary	Other	Total
	€000	€000	€000	€000	€000	€000
Type of goods or service						
Sale of grocery (incl. delivery fee and pharmacy)	44,601	358,146	20,433	63,184	150	486,514
Premium fee	-	2,030	-	232	-	2,262
Other service revenues	351	6,704	238	2,194	-	9,487
<b>Total revenue from contracts with customers</b>	<b>44,952</b>	<b>366,880</b>	<b>20,671</b>	<b>65,610</b>	<b>150</b>	<b>498,263</b>
Timing of revenue recognition						
Goods and services transferred at a point in time	44,952	364,849	20,671	65,378	150	496,001
Goods and services transferred over time	-	2,030	-	232	-	2,263
<b>Total revenue from contracts with customers</b>	<b>44,952</b>	<b>366,880</b>	<b>20,671</b>	<b>65,610</b>	<b>150</b>	<b>498,263</b>

### 4.2 Contract balances

	30 April 2023	30 April 2022	30 April 2021
	€000	€000	€000
		Adjusted	
Trade and other receivables	33,520	27,893	10,474
Contract liabilities	1,090	(867)	(533)
Refund liabilities	682	(535)	-

In FY 2022, € 908 thousand (FY 2021: €287) was recognized as a provision for expected credit losses on trade receivables.

Contract liabilities consist of prepaid premium account fees, customer credits and deferred revenues. The outstanding balances of these accounts increased in 2022 and 2021 due to the continuous increase in the Group's customer base.

## Notes to the consolidated financial statements

Set out below is the development of contract liabilities:

	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
Contract liabilities at the beginning of the year	1,402	533
Contract liabilities open at the beginning of the year satisfied during the year	(1,402)	(533)
Contract liabilities raised during the year	1,772	1,402
<b>Contract liabilities at the end of the year</b>	<b>1,772</b>	<b>1,402</b>
Within one year	1,772	1,402
More than one year	-	-

### 4.3 Refund liabilities

	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
Refund liabilities – customer deposits for the use of reusable bags	682	535

# Notes to the consolidated financial statements

## 5 Capital management

The Group defines the capital that it manages as the Group's total equity, including issued capital, share premium, and all other equity reserves attributable to the equity holders of the parent, and net debt. The primary objective of the Group's capital management is to maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The main areas of capital management in the Group are the effective management of working capital and compliance with externally imposed financial covenants. The Group's objectives when managing capital are to safeguard its viability as a going concern and maintain sufficient funds to allow the Group to grow. The Group manages its working capital through the close monitoring of a series of measures, including inventory turnover, age of inventory, age of receivables, receivables days, payables days, effective forecasting of the Group's Balance Sheet and projected results, monthly cash flow forecasts, and review of daily cash balances. Major investment decisions, including all major capital expenditure, require approval by the Board, based on reviewing the expected future cash flows arising from the investment. There were no changes in the Group's approach to capital management during the period. The Group reviews its financing arrangements regularly.

Given the Group's commitment to expanding the business and the investment required to complete future fulfillment centers, the declaration and payment of a dividend is not part of the short-term capital management strategy of the Group.

## 6 Group information

### Subsidiaries

The consolidated financial statements of the Group include the following:

Name	Principal activities	Country	% equity interest	
			30 Apr 2023	30 Apr 2022
Rohlik skillz s.r.o.	Group service organization	Czech Republic	100	100
VELKÁ PECKA s.r.o.	Online grocery shop	Czech Republic	100	100
Kifi.hu Shop Kft	Online grocery shop	Hungary	100	100
MY FOOD WHOLESALERS s.r.o.	Wholesale with food	Czech Republic	100	100
Gurkerl.at GmbH	Online grocery shop	Austria	100	100
Grosser Kern GmbH	Online grocery shop	Germany	100	100
Autoexpert spol. s.r.o.	Delivery company and short-term car rental provider	Czech Republic	100	100
bitte-holen.de GmbH*	Online grocery shop	Germany	-	100
Covrig Crocant SRL	Online grocery shop	Romania	100	100
Sezamo Iberia, S.L.U.	Online grocery shop	Spain	100	100
Sezamo.it S.R.L.**	Online grocery shop	Italy	-	100
Kleiner Kern GmbH	Not active at the moment	Germany	100	-

\* Rohlik Group has disposed of the company bitte-holen.de GmbH on 26 October 2022.

\*\* Rohlik Group lost control of the company Sezamo.it S.R.L. on 28 March 2023.

### The holding company

The immediate and ultimate holding company of the Rohlik Group a.s. is Rohlik.cz investment a.s., which owns 44.79% (2020: 50.59%) of its ordinary shares. Rohlik.cz investment a.s. is based in the Czech Republic.

### Associate

The Group has a 45.18% interest in Zdravá lednice s.r.o. (2021: 45.18%).

### Loss of control

Rohlik Group lost control of the company Sezamo.it S.R.L. on 28 March 2023. As a result, from the deconsolidation, Rohlik Group recognized loss from the disposal in the amount of EUR 185 thousand.

# Notes to the consolidated financial statements

## 7 Business combinations

### Acquisitions in 2020

#### Großer Kern GmbH

On 2 June 2020, the Group acquired 100% of the voting shares of Großer Kern GmbH (the name of the company on the date of the transaction was INOS 20-006 GmbH), a non-listed company based in Germany, in exchange for cash consideration. The Group acquired Großer Kern GmbH in order to expand the Group's business into Germany.

#### **Assets acquired, and liabilities assumed**

The values of the identifiable assets and liabilities of Großer Kern GmbH. as at the date of acquisition were:

	<b>Value recognized on the acquisition €000</b>
<b>Assets</b>	
Cash and cash equivalents	25
<b>Total identifiable net assets</b>	<b>25</b>
Goodwill arising on acquisition (Note 19)	3
<b>Purchase consideration transferred</b>	<b>28</b>
<b>Purchase consideration</b>	<b>€000</b>
Cash and cash equivalents	28
<b>Total consideration</b>	<b>28</b>
Analysis of cash flows on the acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	25
<b>Net cash flow on the acquisition</b>	<b>(3)</b>

#### Autoexpert spol. s.r.o.

On 1 February 2021, the Group acquired 100% of the voting shares of Autoexpert spol. s.r.o., a non-listed company based in the Czech Republic and specializing in the rental of cars in exchange for cash consideration. The Group acquired Autoexpert spol. s.r.o. because it was a key supplier in terms of the car fleet in the Czech Republic.

#### **Assets acquired, and liabilities assumed**

The values of the identifiable assets and liabilities of Autoexpert spol. s.r.o. as at the date of acquisition were:

	<b>Value recognized on the acquisition €000</b>
<b>Assets</b>	
Property, plant, and equipment	5,580
Intangible assets	25
Cash and cash equivalents	1,218
Trade and other receivables	467
Inventories	15
	<b>7,303</b>
<b>Liabilities</b>	
Trade payables	(341)
Borrowings	(7,109)
	<b>(7,450)</b>
<b>Total identifiable net assets</b>	<b>(147)</b>
Goodwill arising from the acquisition	2,411
<b>Purchase consideration transferred</b>	<b>2,265</b>

## Notes to the consolidated financial statements

The fair value of the trade receivables amounts to €467 thousand. The gross amount of trade receivables is €467 thousand, and it is expected that the full contractual amounts can be collected.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favorable terms of the lease relative to market terms.

The goodwill of €2,231 thousand comprises the value of expected synergies arising from the acquisition. Goodwill is allocated entirely to the retail segment, specifically relating to the delivery of the products sold. None of the goodwill recognized is expected to be deductible for income tax purposes.

<b>Purchase consideration:</b>	<b>€000</b>
Cash	2,265
<b>Total consideration</b>	<b>2,265</b>
Analysis of cash flows on the acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	1,218
<b>Net cash flow on the acquisition</b>	<b>(1,047)</b>

## 8 Investment in an associate

The Group has a 45.18% interest in Zdravá lednice s.r.o. (30 April 2022 45.18%), which supplies and operates refrigerators with food and beverages provided to companies and public spaces (e.g., shopping malls or offices) in the Czech Republic. Zdravá lednice s.r.o. is a private entity that is not listed on any public exchange, and the Rohlik Group's interest in Zdravá lednice s.r.o. is accounted for using the equity method in the consolidated financial statements.

The carrying amount of the investment is €603 thousand (30 April 2022: €651 thousand). For the year 2022, Zdravá lednice made a loss after tax of €169 thousand (2021: €199 thousand), of which € 76 thousand (2021: €90 thousand) is attributable to the Group.

# Notes to the consolidated financial statements

## 9 Other income/expenses

### 9.1 Other operating income

	FY 2022	FY 2021
	€000	€000
Foreign exchange gains	6,614	6,511
Gains on non-current assets disposal	987	121
Other	3,626	776
<b>Total other operating income</b>	<b>11,226</b>	<b>7,408</b>

### 9.2 Other operating expenses

	FY 2022	FY 2021
	€000	€000
Foreign exchange losses	10,874	14,574
Receivables write-offs and impairments	458	118
Other	178	923
<b>Total other operating expenses</b>	<b>11,510</b>	<b>15,615</b>

### 9.3 Finance income

	FY 2022	FY 2021
	€000	€000
Interest income on loans to external partners	54	7
<b>Total finance income</b>	<b>54</b>	<b>7</b>

### 9.4 Finance costs

	FY 2022	FY 2021
	€000	€000
Interest on debts and borrowings	1,461	462
Interest on lease liabilities	4,376	1,662
<b>Total finance costs</b>	<b>5,837</b>	<b>2,125</b>

### 9.5 Employee benefits expense

	FY 2022	FY 2021
	€000	€000
<b>Included in selling and distribution expenses:</b>		
Wages and salaries	43,518	37,879
Social security costs	10,346	8,023
Share-based payment expense	-	-
Other employee-related expenses	642	845
<b>Included in the cost of administrative expenses:</b>		
Wages and salaries	42,390	30,408
Social security costs	9,410	7,115
Share-based payment expense	708	3,365
Other employee-related expenses	441	984
<b>Total employee benefits expense</b>	<b>107,455</b>	<b>88,620</b>

## Notes to the consolidated financial statements

### 9.6 Selling and distribution expenses

	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
		Adjusted
Employee benefits expense	54,505	46,747
Couriers' and agency workers' fee	84,627	72,063
Car fleet repairs, maintenance, insurance, fuel, and other fleet-related costs	21,100	12,055
Depreciation	8,397	11,316
Warehouse utilities and related services	4,135	1,440
Payment gate and cash handling fees	5,698	4,964
Other selling and distribution expenses	54,320	25,133
<b>Total selling and distribution expenses</b>	<b>232,921</b>	<b>173,718</b>

Other selling and distribution expenses include expenses like the cost of packaging, SMS notification of customers, and other purchased services.

### 9.7 Administrative expenses

	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
Employee benefits expense	52,950	41,873
Depreciation	5,099	3,685
Impairment of property, plant, and equipment	-	46
Amortization and impairment of intangible assets	5,667	3,097
Marketing and advertisement expenses	12,021	13,663
Expected credit losses of trade receivables and contract assets	113	155
Expenses relating to leases of low-value assets	268	1,129
Other administrative expenses	50,753	21,025
<b>Total administrative expenses</b>	<b>126,915</b>	<b>84,672</b>

Other administrative expenses include expenses like professional consulting fees, external accounting services, IT systems subscription fees, utilities, and other purchased services.

# Notes to the consolidated financial statements

## 10 Income tax

The major components of income tax expense for the years ended 30 April 2023 and 2021 are:

<b>Consolidated profit or loss</b>	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
<b>Current income tax:</b>		
Current income tax charge	1,222	1,042
Adjustments recognised in the period for current tax of prior periods	-	372
Benefit arising from a previously unrecognised tax loss, that is used to reduce current tax expense	-	(3)
<b>Deferred tax:</b>		
Relating to the origination and reversal of temporary differences	-	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,222</b>	<b>1,411</b>

Reconciliation of tax expense and the accounting profit multiplied by the Czech Republic's domestic tax rate for 2021 and 2020:

	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
Accounting profit before tax from continuing operations	(156,484)	(115,207)
<b>At the Czech Republic's statutory income tax rate of 19% (2020: 19%)</b>	<b>(29,732)</b>	<b>(20,941)</b>
Tax effects of items that are not deductible or assessable for taxation purposes:		
Unrecognized deferred tax	29,782	19,719
Tax non-deductible expenses	462	1,716
Lump sum tax payments *	711	545
Adjustments recognised in the period for current tax of prior periods	-	372
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,222</b>	<b>1,411</b>
The effective income tax rate	(1%)	(2%)

\*In Hungary and Austria, there are certain minimum taxes that has to be paid even if the company is loss-making.

# Notes to the consolidated financial statements

## 11 Deferred tax

Deferred tax relates to the following:

	<b>Consolidated statement of financial position</b>	
	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
Deferred tax from tax losses carry-forward	52,928	23,196
Deductible temporary differences	267	217
<b>Net deferred tax assets/(liabilities)</b>	<b>53,195</b>	<b>23,413</b>

  

	<b>Consolidated statement of profit or loss</b>	
	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
Deferred tax from tax losses carry-forward	29,732	19,361
Deductible temporary differences	50	99
<b>Net deferred tax expense/(benefit)</b>	<b>229,782</b>	<b>19,460</b>

The Group has tax losses that arose in European countries that are available for offset against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognized with respect to the fact that they may not be used to offset taxable profits elsewhere in the Group. They have arisen in subsidiaries that have been loss-making during the ramp-up period. For reasons of prudence and uncertainty involved, the Group decided not to account for the deferred tax asset.

## 12 Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	<b>FY 2022</b>	<b>FY 2021</b>
	<b>€000</b>	<b>€000</b>
Loss attributable to ordinary equity holders of the parent:	(157,706)	(116,618)

  

	<b>FY 2022</b>	<b>FY 2021</b>
	<b>Units</b>	<b>Units</b>
The weighted average number of ordinary shares for basic EPS	547,894	465,396
Effects of dilution from:		
Share options	27,051	27,850
The weighted average number of ordinary shares adjusted for the effect of dilution	574,945	493,246

## Notes to the consolidated financial statements

### 13 Property, plant, and equipment

	Buildings	Vehicles	Warehouse equipment	Furniture and office equipment	Asset under construction	Total
	€000	€000	€000	€000	€000	€000
<i>Cost or valuation</i>						
<b>At 30 April 2021</b>	<b>3,782</b>	<b>7,786</b>	<b>15,374</b>	<b>4,188</b>	<b>4,257</b>	<b>35,387</b>
Additions	12,041	11,024	12,803	4,330	5,840	46,039
Translation Gain / (Loss)	196	404	799	218	221	1,838
<b>At 30 April 2022</b>	<b>16,019</b>	<b>19,214</b>	<b>28,976</b>	<b>8,736</b>	<b>10,318</b>	<b>83,263</b>
<b>Correction</b>	-	-	-973	-	-	-973
<b>At 30 April 2022 Corrected</b>	<b>16,019</b>	<b>19,214</b>	<b>28,002</b>	<b>8,736</b>	<b>10,318</b>	<b>82,290</b>
Additions	22,524	2,497	11,749	1,677	28,090	66,537
Disposals	(563)	(839)	(2,371)	(2,643)	-	(6,416)
Translation Gain / (Loss)	752	902	1,314	410	484	3,908
<b>At 30 April 2023</b>	<b>38,732</b>	<b>21,774</b>	<b>38,695</b>	<b>8,180</b>	<b>38,893</b>	<b>146,273</b>
<i>Depreciation and impairment</i>						
<b>At 30 April 2021</b>	<b>(354)</b>	<b>(1,408)</b>	<b>(2,574)</b>	<b>(1,994)</b>	-	<b>(6,330)</b>
Depreciation charge for the year	(925)	(2,357)	(2,630)	(1,952)	-	(7,865)
Impairment	(15)	(176)	(31)	-	-	(222)
Translation Gain / (Loss)	(40)	(132)	(196)	(149)	-	(518)
<b>At 30 April 2022</b>	<b>(1,335)</b>	<b>(4,073)</b>	<b>(5,431)</b>	<b>(4,095)</b>	-	<b>(14,934)</b>
<b>Correction</b>	-	-	93	-	-	93
<b>At 30 April 2022 Corrected</b>	<b>(1,335)</b>	<b>(4,073)</b>	<b>(5,337)</b>	<b>(4,095)</b>	-	<b>(14,841)</b>
Depreciation charge for the year	(3,564)	(3,965)	(4,581)	(1,685)	-	(13,795)
Impairment	-	(12)	-	-	-	(12)
Disposals	563	839	2,371	2,643	-	6,416
Translation Gain / (Loss)	(63)	(191)	(348)	(192)	-	(701)
<b>At 30 April 2023</b>	<b>(4,399)</b>	<b>(7,402)</b>	<b>(7,896)</b>	<b>(3,330)</b>	-	<b>(23,027)</b>
<b>Net book value</b>						
At 30 April 2022	14,684	15,141	22,665	4,641	10,318	67,449
At 30 April 2023	34,333	14,372	30,799	4,850	38,893	123,246

#### Assets under construction

The balance at 30 April 2023 is mostly related to expenditure for warehouse automation in the Czech Republic and Germany, which is in the course of construction.

## Notes to the consolidated financial statements

### 14 Intangible assets and goodwill

	Software	Trademarks, domains, and other intangible assets with a definite useful life	Goodwill	Total
	€000	€000	€000	€000
<i>Cost</i>				
<b>At 30 April 2021</b>	<b>7,452</b>	<b>9</b>	<b>2,427</b>	<b>9,888</b>
Additions	7,304	741	-	8,045
Disposals	-	-	-	-
Translation Gain / (Loss)	388	-	126	514
<b>At 30 April 2022</b>	<b>15,144</b>	<b>750</b>	<b>2,553</b>	<b>18,447</b>
<b>Correction</b>	<b>-</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>
<b>At 30 April 2022 Corrected</b>	<b>15,144</b>	<b>746</b>	<b>2,553</b>	<b>18,443</b>
Additions	10,102	149	-	10,251
Disposals	(1,745)	(627)	-	(2,372)
Translation Gain / (Loss)	711	35	120	866
<b>At 30 April 2023</b>	<b>24,211</b>	<b>303</b>	<b>2,673</b>	<b>27,187</b>
<i>Amortization and impairment</i>				
<b>At 30 April 2021</b>	<b>(3,805)</b>	<b>-</b>	<b>-</b>	<b>(3,805)</b>
Amortization	(2,689)	(7)	-	(2,696)
Disposals	-	0	-	-
Translation Gain / (Loss)	(261)	0	-	(261)
<b>At 30 April 2022</b>	<b>(6,755)</b>	<b>(7)</b>	<b>-</b>	<b>(6,762)</b>
<b>Correction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 30 April 2022 Corrected</b>	<b>(6,755)</b>	<b>(7)</b>	<b>-</b>	<b>(6,762)</b>
Amortization	(5,364)	(146)	-	(5,509)
Disposals	210	-	-	210
Translation Gain / (Loss)	(685)	(12)	-	(697)
<b>At 30 April 2023</b>	<b>(12,593)</b>	<b>(164)</b>	<b>-</b>	<b>(12,758)</b>
<i>Net book value</i>				
At 30 April 2022	8,388	740	2,553	11,681
At 30 April 2023	11,618	139	2,673	14,430

#### Additions during the year

The majority of the additions in the period relate to the ongoing development and improvements of the Rohlik platform software and other software for internal use.

#### Goodwill

Goodwill is allocated to its respective Cash Generating Units (CGUs), which in the case of the goodwill reported as at 30 April 2023 and 30 April 2022, consists of goodwill allocated to CGUs Autoexpert spol. s.r.o. and Großer Kern GmbH. The acquisitions occurred in FY 2021. There were no acquisitions during FY 2022. The consequent changes in the carrying amount of goodwill in FY 2022 were attributable solely to the effects of foreign currency rate changes.

The Group performed its annual impairment test as at 30 April 2023 and 30 April 2022. The management did not identify any impairment. In determining the value in use as of 30 April 2023, the Group used the following parameters:

- Projected 2022-2026 cash flow based on the most current financial plan of the Group. For the periods after 2026, no growth rate has been considered.
- A pre-tax discount interest rate used was 15%, assessed as the Weighted Average Cost of Capital ("WACC") of the Group.

## Notes to the consolidated financial statements

The recoverable amount of goodwill exceeds its carrying value. As the Group's management is not aware of any other indications of impairment and given the results of the impairment tests, no impairment was recorded.

Changes in the parameters used in the impairment test would have varying impacts on the value in use. However, no reasonable possible change in the assumptions would lead to an impairment.

## Notes to the consolidated financial statements

### 15 Financial assets and financial liabilities

#### 15.1 Financial assets

	FY 2022	FY 2021
	€000	€000
		Adjusted
Non-listed equity investments	1,573	1,627
Investment in associates	603	651
Trade and other receivables (Note 17)	33,520	30,151
Restricted cash with an initial restriction of more than three months	12,772	7,686
Deposits	5,073	4,757
<b>Total financial assets*</b>	<b>53,541</b>	<b>44,979</b>
Total current	46,292	37,944
Total non-current	7,249	7,035

\* Financial assets other than cash and short-term deposits

The non-listed equity investments comprise the Group's share in Convenience AG ("eBag"), a Bulgarian grocery shop, where the Group holds a minority interest.

The Group's share Zdravá Lednice s.r.o., a Czech vending machine operator, where the Group holds a minority interest.

Debt instruments at amortized cost include loans provided to 3rd party debtors.

Restricted cash with an initial restriction of more than three months consists of the company's current bank accounts secured in order to fulfill collateral requirements arising from the bank guarantees issued by the bank to selected suppliers of the Group.

Deposits comprise security in the form of cash deposits provided to the suppliers, mostly landlords of the rented premises.

#### 15.2 Financial liabilities

	Interest rate	Maturity	FY 2022	FY 2021
	%		€000	€000
<b>Current interest-bearing loans and borrowings</b>				
Lease liabilities (Note 23)	6,5%		11,359	6,341
Bank loan Unicredit	3-months PRIBOR + 1,75%	2023	-	203
Loan Mercedes	5,9%	2023	-	29
Loans Škofin	3,99%-5,9%	2023-2027	4,197	2,755
Bank overdrafts and credit cards	1-month PRIBOR + 1,5%	On-demand	-	1,984
Loan CTP	6,5%	2023-2028	503	-
<b>Total current interest-bearing loans and borrowings</b>			<b>16,059</b>	<b>11,311</b>
<b>Non-current interest-bearing loans and borrowings</b>				
Lease liabilities (Note 23)	6,5%	2023-2034	63,713	40,654
Bank loan Unicredit	3-months PRIBOR + 1,75%	2023-2028	-	102
Loan Škofin	3,99%-5,9%	2023-2027	12,183	10,340
Loan CTP	6,5%	2023-2028	1,393	-
Syndicate loan	9,5% + EURIBOR	2027	19,780	-
<b>Total non-current interest-bearing loans and borrowings</b>			<b>97,069</b>	<b>51,095</b>
<b>Total interest-bearing loans and borrowings</b>			<b>113,128</b>	<b>62,407</b>

#### Bank overdraft and credit cards

The bank overdraft and credit cards were used to cover temporary needs of cash and are repayable on demand. Both products were terminated during the current period.

## Notes to the consolidated financial statements

### **Bank loan**

The loan was fully repaid on 30 June 2023.

### **Loan Mercedes**

The loan was fully repaid on 1 May 2023.

### **Loans Škofin**

The loans are used for the acquisition of delivery cars. There is a framework agreement and an individual contract for each car. Loans are repayable in monthly installments.

### **Syndicated Loan**

The syndicated loan is used by Rohlik Group to finance the growth of the Group. The loan is repayable on the maturity date of 23.12.2027

The loan is secured by (i) a pledge of intercompany loans, (ii) a pledge of shares in wholly-owned operating subsidiaries and Rohlik skillz s.r.o., (iii) a pledge of bank accounts opened in the Czech Republic and (iv) a pledge of tangible assets of Velká Pecka whose value exceeds EUR 3 million.

# Notes to the consolidated financial statements

## 15.3 Fair values

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	FY 2022		FY 2021	
	Carrying amount €000	Fair value €000	Carrying amount €000	Fair value €000
			Adjusted	Adjusted
<b>Financial assets</b>				
Equity instruments	2,176	2,176	2,278	2,278
Trade receivables	33,520	33,520	30,151	30,151
Restricted cash with an initial restriction of more than three months	12,772	12,772	7,686	7,686
Deposits	5,073	5,073	4,757	4,757
<b>Total</b>	<b>53,541</b>	<b>53,541</b>	<b>44,872</b>	<b>44,872</b>

	FY 2022		FY 2021	
	Carrying amount €000	Fair value €000	Carrying amount €000	Fair value €000
<b>Financial liabilities</b>				
Lease liabilities	75,072	75,072	46,994	46,994
Bank loan	-	-	305	305
Loan Mercedes	-	-	29	29
Loans Škofin	16,360	16,360	13,094	13,094
Bank overdrafts and credit cards	-	-	1,984	1,984
Syndicate loan	19,780	19,780	-	-
CTP loan	1,897	1,897	-	-
<b>Total</b>	<b>113,128</b>	<b>113,128</b>	<b>62,407</b>	<b>62,407</b>

The following methods and assumptions were used to estimate the fair value:

- Long-term fixed and variable rate receivables and borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the counterparty, and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for estimated losses of these receivables.
- The fair values of the non-listed equity investment have been estimated using the market approach based on an indicative transaction price. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these non-listed equity investments.
- The fair value of the Group's interest-bearing loans and borrowings are determined by using the DCF method using a discount rate that reflects the issuer's borrowing rate at the end of the reporting period. The own non-performance risk as at 30 April 2023 was assessed to be insignificant.

## 15.4 Financial instruments risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables and cash and short-term deposits that derive directly from its operations and from funding from investors. The Group also holds investments in debt and equity instruments.

The Group is exposed to market risk, credit risk, and liquidity risk. The Group identifies, measures, and manages the financial risks in accordance with the Group's policies and risk objectives. The risks are summarized below.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt, and equity investments.

The sensitivity analyses in the following sections relate to the position as at 30 April in 2023 and 2022.

## Notes to the consolidated financial statements

The analyses exclude the impact of movements in market variables on provisions and the non-financial assets and liabilities of foreign operations.

The following assumption has been made in calculating the sensitivity analyses: The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 30 April 2023 and 2022.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank loan with floating interest rates.

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points €000	Effect on profit before tax €000
<b>2022</b>		
Czech Crown	+100	(185)
Czech Crown	-100	185
<b>2021</b>		
Czech Crown	+100	(23)
Czech Crown	-100	23

### Foreign currency risk

Currency risk is the risk that the fair value of future cash flows from a financial instrument will change as a result of changes in exchange rates.

It is due to the fact that assets and liabilities of a monetary nature denominated in a foreign currency are converted into functional currency at the balance sheet date and converted into cash at a future date. The current value of these items depends on the spot exchange rates of the functional currency against the foreign currency and their fluctuation. The main sources of currency risk for the Group are purchases of services and goods made with external parties in currencies other than the functional currency.

The Group recognizes the vast majority of the sales in the local entity's functional currency. Therefore, there is no currency risk on the sales side. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the purchases denominated in a foreign currency (EUR for non-euro countries, other currency transactions are not significant).

### Foreign currency sensitivity

The table below shows the Group's sensitivity to a 10% appreciation or depreciation of the EUR against their respective foreign currencies. The sensitivity analysis includes only outstanding monetary items denominated in foreign currency and adjusts their conversion at the end of the accounting period by a 10% change in exchange rates. The sensitivity analysis includes receivables and payables. A sensitivity analysis is prepared under the assumption that other variables remain constant.

The following tables present the impact on profit before tax as at 30 April (in EUR thousand):

	Change in EUR rate	Effect on profit before tax €000
<b>2022</b>		
	+10%	4,076
	-10%	(4,076)
<b>2021</b>		
	+10%	1,909
	-10%	(1,909)

### Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions, and other financial instruments.

### Cash and cash equivalents

The Group's exposure to credit risk on cash and cash equivalents is managed by investing in well-established banks and financial

## Notes to the consolidated financial statements

institutions and by regular review of counterparty risk.

### Trade and other receivables

Trade and other receivables at the reporting date comprise mainly outstanding balances due from payment gates and payment terminals providers, which are considered of good credit quality, as well as VAT receivable, and receivables from the supplier. The Group provides for doubtful receivables in respect of monies due from suppliers.

The Group has elected to apply the IFRS 9 "Financial Instruments" simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risks and aging.

The expected loss rates are based on the Group's historical credit losses, adjusted for reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions.

The Group provides for 50% of amounts due from suppliers, which are between 180 and 365 days overdue, and 100.0% of amounts more than 365 days overdue. It provides for 100.0% of amounts due from retail customers, which are more than 30 days overdue.

The Group has very low retail credit risk due to transactions being principal of a high volume, low value, and short maturity. Therefore, it also has a very low concentration risk. The Group has effective control over this area.

The Group's definition of default differs between suppliers and customers. A supplier is deemed to have defaulted if they have not paid an amount due within 365 days of the due date. A retail customer is deemed to have defaulted if they have not paid an amount due within 30 days of the due date.

Receivables are written off when there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have sufficient assets or sources of income to repay the relevant amounts. However, receivables that have been written off may still be subject to enforcement activity. The recovery of an amount previously written off is recognized as a gain in the Consolidated Income Statement.

Movements in the provision for the impairment of trade and other receivables are as follows:

	Notes	FY 2022 €000	FY 2021 €000
<b>Balance at the beginning of the period</b>		<b>(287)</b>	<b>(205)</b>
Provision for impairment of receivables		(1,022)	(200)
Uncollectable amounts written-off		401	118
<b>Balance at the end of the period</b>	<b>17</b>	<b>(908)</b>	<b>(287)</b>

### Liquidity risk

The Group has adequate cash resources to manage the short-term working capital needs of the business. The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below analyses the Group's financial liabilities based on the period remaining to the contractual maturity dates at the reporting date, summarizing the maturity profile of the Group's financial liabilities based on undiscounted contractual payments:

Year ended 30 April 2023	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	€000	€000	€000	€000	€000
Interest-bearing loans and borrowings	1,908	4,374	46,847	1,516	54,645
Lease liabilities	4,037	11,809	48,886	30,125	94,857
Trade and other payables	76,483	-	-	-	76,483
<b>Total</b>	<b>82,428</b>	<b>16,183</b>	<b>93,733</b>	<b>31,641</b>	<b>225,986</b>

  

Year ended 30 April 2022	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	€000	€000	€000	€000	€000
Interest-bearing loans and borrowings	2,640	1,398	13,319	278	17,634
Lease liabilities	2,255	6,918	31,015	18,999	59,187
Trade and other payables	77,185	-	-	-	77,185
<b>Total</b>	<b>82,080</b>	<b>8,315</b>	<b>44,334</b>	<b>19,277</b>	<b>154,006</b>

# Notes to the consolidated financial statements

## 16 Inventories

	FY 2022	FY 2021
	€000	€000
		Adjusted
Materials (at cost / amortized value)	4,802	6,195
Work in progress (at cost)	-	2
Finished products and goods (at lower of cost and net realizable value)	19,403	11,424
<b>Total inventories at the lower of cost and net realizable value</b>	<b>24,205</b>	<b>17,621</b>

Materials balance includes the reusable bags in the amount of €2,891 thousand (30 April 2022: €3,803 thousand)

## 17 Trade and other receivables

	FY 2022	FY 2021
	€000	€000
		Adjusted
Receivables from third-party customers	19,343	11,331
Receivables from third-party suppliers	6,677	7,759
Receivables from an associate	-	58
Receivables from other related parties	32	-
Prepaid expenses	2,584	2,870
Tax receivables	5,791	8,420
	<b>34,428</b>	<b>30,438</b>
Allowance for expected credit losses	(908)	(287)
	<b>33,520</b>	<b>30,151</b>

Trade receivables are non-interest bearing and are generally on terms of 0 to 30 days. Balance of receivables from third-party customers includes receivables collected by providers of payment gate and payment terminals, and receivables from non-e-shop sales.

Receivables from suppliers are non-interest bearing and are generally on terms of 30 days. The balance mostly consists of advances paid, receivables for turnover and marketing bonuses, and receivables from couriers for use of cars and fuel consumption.

For terms and conditions relating to related party receivables, refer to Note 26.

Tax receivables comprise claimable value added tax balance.

## 18 Cash and short-term deposits

	FY 2022	FY 2021
	€000	€000
Cash at banks and on hand	75,192	53,711
	<b>75,192</b>	<b>53,711</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates.

The Group has pledged a part of its current bank accounts to fulfill collateral requirements arising from the bank guarantees provided by the bank to selected suppliers of the Group. At 30 April 2023, the restricted cash accounts totaled €12,772 thousand (30 April 2022: €7,686 thousand). Restricted cash is classified as Other financial assets in the financial statements.

# Notes to the consolidated financial statements

## 19 Issued capital and reserves

The issued share capital consists of 473,103 ordinary shares at a par value of CZK 10 per share.

	FY 2022	FY 2021
	Units	Units
Ordinary shares of CZK 10 each	558,948	473,103
	<b>558,948</b>	<b>473,103</b>

During the year, the share capital was increased by €461,150 by the issue of 46,115 ordinary shares of CZK 10 each.

	Units
<b>Ordinary shares issued and fully paid</b>	
<b>At 30 April 2021</b>	<b>426,988</b>
Issuance of share capital series C on 30 June 2021	46,115
<b>At 30 April 2022</b>	<b>473,103</b>
Issuance of share capital series D on 16.6.2022	85,845
<b>At 30 April 2023</b>	<b>558,948</b>

As part of the share capital issue during the year, the Company also recognized the share capital premium arising from the difference between the issue price and the nominal value of the issued shares.

	€000
<b>Share premium</b>	
<b>At 30 April 2021</b>	-
Issuance of share capital series C on 30 June 2021	99,982
<b>At 30 April 2022</b>	<b>99,982</b>
Issuance of share capital series D on 16.6.2022	219,966
<b>At 30 April 2023</b>	<b>319,949</b>

### Other reserves

#### Share option scheme

The Group has a share option scheme under which options to subscribe to the Group's shares have been granted to certain senior executives and certain other employees. Refer to Note 24 for further details. No share options have been exercised as of 30.4.2023.

#### Contributions outside of share capital

The Group received contributions from shareholders outside of share capital. Movement in other reserves:

Other reserves	Share-based payments	Contributions outside of share capital	Total
	€000	€000	€000
<b>At 30 April 2021</b>	<b>2,822</b>	<b>139,439</b>	<b>142,261</b>
Share-based payments expense during the year	3,444	-	3,444
Contribution of shareholders outside of share capital	-	425	425
<b>At 30 April 2022</b>	<b>6,266</b>	<b>139,863</b>	<b>146,129</b>
Share-based payments expense during the year	430	-	430
<b>At 30 April 2023</b>	<b>6,696</b>	<b>139,863</b>	<b>146,559</b>

## Notes to the consolidated financial statements

### 20 Provisions

	Restoration €000	Liquidation €000	Total €000
<b>At 1 May 2021</b>	-	-	-
Arising during the year	769	-	769
<b>At 30 April 2022</b>	<b>769</b>	-	<b>769</b>
Current	-	-	-
Non-current	769	-	769
<b>At 1 May 2022</b>	<b>769</b>	-	<b>769</b>
Arising during the year	858	1,159	2017
<b>At 30 April 2023</b>	<b>1,627</b>	<b>1,159</b>	<b>2,786</b>
Current	-	1,159	1,159
Non-current	1,627	-	1,627

#### Restoration

A provision has been recognized for restoration costs associated with leased warehouses used as fulfillment centers. The Group is committed to restoration of the site in line with the conditions agreed in the lease contract. The related cash outflow will occur after the end of the lease contract.

#### Liquidation

A provision has been recognized for the cash outflow in relation to the liquidation process of Sezamo.it S.R.L.

### 21 Contract liabilities and refund liabilities

	FY 2022 €000	FY 2022 €000
Prepaid premium account fees	1,084	635
Customer credits	-	231
Refund liabilities	682	535
Deferred revenues	7	-
<b>Total contract liabilities and refund liabilities</b>	<b>1,772</b>	<b>1,402</b>
Current	1,772	1,402
Non-current	-	-

### 22 Trade and other payables

	FY 2022 €000	FY 2022 €000
Trade payables	41,677	47,569
Other payables	34,648	29,523
Related parties	158	92
	<b>76,482</b>	<b>77,184</b>

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 15-30-day terms
- Other payables are non-interest bearing and are normally settled on 30-day terms
- Related party payables are non-interest bearing and are normally settled on 30-day terms

## Notes to the consolidated financial statements

### 23 Leases

#### The group as a lessee

The Group has lease contracts for various items of fulfillment centers and offices, motor vehicles, and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 3 and 10 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets, unless agreed otherwise.

The Group also has certain leases of equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

	Fulfillment centers and offices €000	Motor vehicles €000	Other equipment €000	Total €000
<b>As at 30 April 2021</b>	<b>15,638</b>	<b>2,089</b>	<b>652</b>	<b>18,379</b>
Additions	31,200	2,127	75	33,403
Depreciation expense	(5,174)	(900)	(209)	(6,255)
Disposals	-	(780)	-	(780)
Translation Gain / (Loss)	890	54	11	955
<b>As at 30 April 2022</b>	<b>42,582</b>	<b>2,589</b>	<b>529</b>	<b>45,700</b>
Additions	31,442	8,083	219	39,745
Depreciation expense	(9,190)	(2,839)	(259)	(12,288)
Disposals	-	-	-	-
Translation Gain / (Loss)	1,901	230	14	2,145
<b>As at 30 April 2023</b>	<b>66,735</b>	<b>8,063</b>	<b>504</b>	<b>75,302</b>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	FY 2022 €000	FY 2021 €000
<b>As at 1 May</b>	<b>46,955</b>	<b>18,761</b>
Additions	35,638	31,052
Accretion of interest	4,520	2,115
Payments	(16,051)	(6,320)
Gain / (Loss) from disposal	(1)	(1)
Foreign exchange translation Gain / (Loss)	(3,971)	1,388
<b>As at 30 April</b>	<b>75,072</b>	<b>46,995</b>
Current	11,359	6,341
Non-current	63,713	40,654

The following are the amounts recognized in profit or loss:

	FY 2022 €000	FY 2021 €000
Depreciation expense of right-of-use assets	12,288	6,255
Interest expense on lease liabilities	4,520	2,115
The expense relating to short-term leases & leases of low-value assets	277	1,155
<b>The total amount recognized in profit or loss</b>	<b>17,085</b>	<b>9,526</b>

## Notes to the consolidated financial statements

The Group had total cash outflows for leases of €16,327 thousand in 2022 (€7,476 thousand in 2021). The Group also had non-cash additions to right-of-use assets and lease liabilities of €35,638 thousand in 2022 (€31,052 thousand in 2021).

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised.

# Notes to the consolidated financial statements

## 24 Share-based payments

### Stock Option Plan

Under the Stock Option Plan (SOP), the Group, at its discretion, may grant share options of the parent to employees or similar participants. Vesting of the share options is dependent on the Group's policy, and the granted share options are allocated to annual vesting period tranches. Employees or similar participants must remain in service for a period according to each tranche vesting date. The fair value of the share options granted is estimated at the date of the grant. The fair value calculation takes into account the terms and conditions on which the share options were granted. The exercise price of the share options is equal to the strike price prescribed in the stock option plan.

The Participants are entitled to exercise the options:

- In case of an IPO (Initial public offering), 50% of his/her vested Options immediately upon the IPO and the remaining vested Options earliest twelve (12) months after the IPO.
- In case of a Change of Control, 100% of his/her vested immediately upon the Change of Control.

In case no Liquidity event occurs before 30 April 2031, participants have the right to exercise their vested stock options by purchasing shares in the Company at the predefined strike price. The conversion of the options must be completed between 1 May 2031 and 31 October 2031. Unexercised options will expire after 31 October 2031 (or will be forfeited on the participant's bad leave termination of employment if before 31 October 2031).

The fair value of the share options is estimated at the grant date using a share price paid by the investors for newly issued shares, taking into account the terms and conditions on which the share options were granted.

As at the reporting date, the Group considered the conditions and assessed the share-based payments are classified as equity-settled transactions.

The expense recognized for employees and similar participants' services received during the year is shown in the following table and is presented within the Administrative expenses:

	FY 2022	FY 2021
	€000	€000
Expenses arising from equity-settled share-based payment transactions	430	3,444
<b>Total expense arising from share-based payment transactions</b>	<b>430</b>	<b>3,444</b>

### Movements during the year:

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	2021	2021
	Units	WAEP
Outstanding at 30 April 2022	27,850	€1,403.35
Granted during the year	178	€1,403.35
Returned during the year	(977)	€1,403.35
Outstanding at 30 April 2023	27,051	€1,403.35
Exercisable at 30 April 2023	-	-

## Notes to the consolidated financial statements

### 25 Commitments and contingencies

#### Guarantees

As of 30 April 2023, the parent company Rohlik Group a.s. had open credit facilities in the amount of EUR 8,000 thousand and EUR 10,500 thousand. The Company drew on these facilities for the purpose of providing bank guarantees for the obligations of its subsidiaries to suppliers, mainly for rent and for the acquisition of fixed assets. Bank guarantees are secured by restricted cash located in the company's bank accounts. Bank guarantees granted as at 30 April 2023:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
CTPark Theta SRL	Bank Guarantee	Covrig Crocant SRL	274	EUR
Prologis Germany CCXIV (A) B.V.	Bank Guarantee	Großer Kern GmbH	819	EUR
KRYALOS SGR S.p.a.	Bank Guarantee	Sezamo.it S.R.L.	290	EUR
RCP Delta, s.r.o.	Bank Guarantee	Rohlik Skillz s.r.o.	248	EUR
RIALTO SpA	Bank Guarantee	Sezamo.it S.R.L.	1	EUR
USAL Liegenschaftsverwertungs- Leasing- und Beteiligungsgesellschaft m.b.H.,	Bank Guarantee	Gurkerl.at GmbH	100	EUR
Swisslog GmbH	Bank Guarantee	VELKÁ PECKA s.r.o.	5 782	EUR
Swisslog GmbH	Bank Guarantee	Gurkerl.at GmbH	2 711	EUR
Volkswagen Leasing GmbH	Bank Guarantee	Grosser Kern GmbH	843	EUR
CTPark Sixteen Limited Liability Partnership	Bank Guarantee	Kifli.hu Shop Kft.	993	EUR

As of 30 April 2023, the company VELKÁ PECKA s.r.o. had open credit facilities in the amount of EUR 3,000 thousand and CZK 10,000 thousand. The Company drew on these facilities for the purpose of providing bank guarantees for its obligations to suppliers, mainly for rent. Bank guarantees are secured by restricted cash located in the company's bank accounts. Bank guarantees granted as at 30 April 2023:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
CTPark Bmo Líšeň West, spol. s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	347	EUR
P3 Prague Horni Počernice 2 s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	511	EUR
Prologis Czech Republic LXX s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	757	EUR
P3 Olomouc Park s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	19	EUR
CTPark Ostrava Poruba, spol. s.r.o.	Bank Guarantee	VELKÁ PECKA s.r.o.	346	EUR

As at 30 April 2023, the parent company Rohlik Group a.s. provided a guarantee for the obligations of its subsidiaries to their suppliers by way of a guarantor's declaration. The guarantor's statement provided as of April 30, 2023:

## Notes to the consolidated financial statements

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
Trade Group Europe Kft.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	2 000	HUF
Hungerit Baromfifeldozó Zrt.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	2 000	HUF
Foodnet Zrt.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	5 000	HUF
Mastergood Kft.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	10 000	HUF
Saga Foods Zrt.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	3 000	HUF
LeasePlan Hungária ZRT.	Parent Company Guarantee	Kifli.hu Shop Kft.	4 430	HUF
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	14 130	HUF
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	108 780	HUF
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	86 200	HUF
BUSINESS LEASE HUNGARY Kft.	Agreement on First Demand Guarantee (Készfizető kezességi szerződés)	Kifli.hu Shop Kft.	401 500	HUF
Silko&Co Kft	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	15 000	HUF
Zwack Unicum Nyrt.	Agreement on Guarantee (Készfizető kezesi szerződés)	Kifli.hu Shop Kft.	20 000	HUF
Top Spirit Vertriebsgesellschafts	Payment Guarantee on Demand	Gurkerl.at GmbH	20	EUR
Porsche bank AG	Binding Letter of Comfort	Gurkerl.at GmbH	41	EUR
LeasePlan Österreich Fuhrparkmanagement GmbH	Statement of Guarantee	Gurkerl.at GmbH	2 500	EUR
Westcore Geneva B.V.	Letter of Comfort (Patronatserklärung)	Gurkerl.at GmbH	444	EUR
Bartels-Langness Handelsgesellschaft mbH & Co. KG	Payment Guarantee on Demand	Großer Kern GmbH	80	EUR
Trinks Süd GmbH	Payment Guarantee on Demand	Großer Kern GmbH	10	EUR
Bacardi GmbH	Payment Guarantee on Demand	Großer Kern GmbH	10	EUR
Greyfield Essen III Öblekt GmbH	Letter of Comfort (Patronatserklärung)	Großer Kern GmbH	3 562	EUR
VIQR BERLIN 1 S.À R.L.	Guarantee Declaration	Großer Kern GmbH	3 734	EUR
BVK EUROPA IMMOBILIEN-SPEZIALFONDS	Corporate Guarantee Deed (Póliza de Garantia Corporativa)	Sezamo Iberia S.L.U.	7 726	EUR

As at 30 April 2023, the company Velká Pecka provided a guarantee for the obligations of its subsidiaries to their suppliers by way of a guarantor's declaration. The guarantor's statement provided as of April 30, 2023:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
ŠkoFIN s.r.o.	Parent Company Guarantee	Autoexpert spol. s r.o	400 000	CZK

## Notes to the consolidated financial statements

### 26 Related party disclosures

Note 6 provides information about the Group's structure, including details of the subsidiaries and the equity holders of the Group. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

		<b>Sales to related parties</b>	<b>Purchases from related parties</b>	<b>Amounts owed by related parties*</b>	<b>Amounts owed to related parties*</b>
		<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>
<b>Entity with control over the Group:</b>					
Rohlik.cz Investment s.r.o.	FY 2022	-	154	-	154
	FY 2021	-	92	-	92
<b>Associates:</b>					
Zdravá lednice	FY 2022	391	52	30	4
	FY 2021	644	40	-	-

\* Amounts are classified as trade receivables and trade payables, respectively.

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest-free, and settlement occurs in cash. There have been no guarantees provided or received for any receivables or payables of a related party, except for the fully consolidated entities. For the year ended 30 April 2023, the Group did not recognize a provision for expected credit losses relating to amounts owed by related parties (30 April 2022: €0).

# Notes to the consolidated financial statements

## 27 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

### IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

### Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

### Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group's financial statements.

### Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

### Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does

not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively to sale

## Notes to the consolidated financial statements

and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and that fact must be disclosed.

The amendments are not expected to have a material impact on the Group's financial statements.

### **Amendments to IAS 1: Classification of Liabilities as Current or Non-current**

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively.

The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

### **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.

The Group is currently assessing the impact of the amendments.

# Notes to the consolidated financial statements

## 28 Events after the reporting period

The impact of events that occurred between the balance sheet date and the date of the financial statements is recognized in the financial statements if those events provided additional information about the facts that existed at the balance sheet date.

On 23 June 2023, the company drew down the second tranche of the EUR 25 million syndicated loan.

On 27 September 2023, Rohlik Group acquired 100% of the shares in the German e-commerce group Bringmeister through an acquisition from the investment group Rockaway Capital in exchange for a stake in Rohlik Group a.s.. Rohlik Group a.s. has issued 5,853 new shares of series D, that were used for the settlement of the transaction.

After the reporting period, the parent company Rohlik Group a.s. provided a guarantee for the obligations of its subsidiaries to their suppliers by way of a guarantor's declaration. The guarantor's statement provided after April 30, 2023 till the date of this report:

Contracting party	Name of contractual arrangement	Guarantee for company	Amount in currency ('000)	Currency
Schwarteuer Werke GmbH	Guarantee declaration	Großer Kern GmbH	20	EUR
Zwack Unicum Nyrt.	Direct Suretyship Agreement (Készízető kezesi szerződés)	Kifli.hu Shop Kft.	20,000	HUF

In Prague 12 January 2024

Tomáš Čupr  
Statutory Director of the Company

# Rohlik Group a.s.

## REPORT

### ON THE AUDIT OF FINANCIAL STATEMENTS AS AT 30 APRIL 2023

## CONTENTS

- **Consolidated Annual Report**
- **Independent Auditor's Report**
- **Consolidated Statement of profit or loss and other comprehensive income the period 01.05.2022 - 30.04.2023**
- **Consolidated Balance Sheet as at 30.04.2023**
- **Consolidated Cash Flow Statement for the period 01.05.2022 - 30.04.2023**
- **Consolidated Statement of Changes in Equity for the period 01.05.2022-30.04.2023**
- **Notes to the Consolidated Financial Statements**

**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of

**Rohlik Group a.s.**  
**Registered Address: Karolinská 654/2, Karlín, 186 00 Praha 8**  
**Company Identification Number (IČ): 099 60 678**

**Auditor's Opinion**

We have audited the accompanying consolidated financial statements of Rohlik Group a.s. and its subsidiaries (hereinafter the "Group") prepared in accordance with International Financial Reporting Standards adopted by the European Union, showing a consolidated balance sheet total of 365 916 thds. EUR and a consolidated loss of 157 707 thds. EUR. These consolidated financial statements comprise:

the consolidated statement of profit or loss for the year ended 30 April 2023  
the consolidated statement of financial position as at 30 April 2023  
the consolidated statement of comprehensive income for the year ended 30 April 2023  
the consolidated statement of changes in equity for the year ended 30 April 2023  
the consolidated statement of cash flows for the year then ended  
the related notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

Group information are disclosed in section 6 of the Notes to the consolidated financial statements.

**In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 30 April 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the Czech Republic.**

**Basis for Opinion**

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information presented in the Consolidated Annual Report**

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the consolidated Annual Report other than the financial statements and auditor's report thereon. The Member of the Board of Directors is responsible for the other information.

Our opinion on the consolidated financial statements does not cover other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the consolidated financial statements or with our knowledge obtained in the audit of consolidated financial statements or whether the information appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material aspects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgements made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess, we report that:

- The other information describing the facts that are also presented in the consolidated financial statements is, in all material aspects, consistent with the consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group obtained in the audit, that the other information does not contain any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

**Responsibilities of the Company's Member of the Board of Directors (hereinafter the "Company's statutory body") for the Consolidated Financial Statements**

Company's statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Company's statutory body is responsible for assessing the Group's ability to continue as a going concern, disclosing in the notes to the consolidated financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless the Company's statutory body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit of consolidated financial statements conducted in accordance with the above-mentioned regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control by the statutory body of the Group.
- Obtain an understanding of internal Group control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's statutory body in the notes to the consolidated financial statements.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting during preparation of the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions regarding the Group's ability to continue as going concern are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures. Evaluate whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- To obtain sufficient and appropriate evidence on the financial information of the entities included in the Group and on the Group's business activity in order to express an opinion on the consolidated financial statements. We are responsible for the Group audit management, its supervision and its performance. The auditor's opinion on the consolidated financial statement is our sole responsibility.

We communicate with the Company's statutory body regarding, among other matters, the planned scope and timing of the audit and our significant audit findings, including any significant deficiencies identified in the internal controls.

**Grant Thornton Audit s.r.o.**  
Audit Firm  
Pujmanové 1753/10a, Praha 4  
Licence No. 603

Prague on 15. January 2024



---

Ing. Milan Pašek  
Auditor, Licence No. 2112  
Managing Director

